

**Introduced by Senator Ashburn**

February 24, 2006

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An act to add Section 213.6 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

**LEGISLATIVE COUNSEL'S DIGEST**

SB 1658, as introduced, Ashburn. Property taxation: exemption.

The California Constitution authorizes the Legislature to exempt personal property from property taxation by means of a statute approved by a  $\frac{2}{3}$  vote of the membership of each house.

This bill would, for the 2007–08 fiscal year and for each fiscal year thereafter, exempt from property taxation personal property that is owned and operated by a qualified organization, which this bill would define as an organization that provides facilities for local and national emergencies, as specified.

Section 2229 of the Revenue and Taxation Code requires the Legislature to reimburse local agencies annually for certain property tax revenues lost as a result of any exemption or classification of property for purposes of ad valorem property taxation.

This bill would provide that, notwithstanding Section 2229 of the Revenue and Taxation Code, no appropriation is made and the state shall not reimburse local agencies for property tax revenues lost by them pursuant to the bill.

This bill would take effect immediately as a tax levy.

Vote:  $\frac{2}{3}$ . Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 213.6 is added to the Revenue and  
2 Taxation Code, to read:

3 213.6. (a) Personal property owned and operated by, and  
4 used exclusively for the purposes of, a qualified organization is  
5 exempt from property taxation.

6 (b) For purposes of this section, “qualified organization”  
7 means an organization that meets all of the following conditions:

8 (1) The organization was incorporated by an act of the United  
9 States Congress.

10 (2) The purposes of the organization are to provide adequate  
11 facilities to assist in meeting local and national emergencies, to  
12 promote the public welfare, and to provide aviation and  
13 aerospace education and training.

14 (3) The organization qualifies for exemption under Section  
15 501(c)(3) of the Internal Revenue Code.

16 (c) This section applies for the 2007–08 fiscal year and for  
17 each fiscal year thereafter.

18 SEC. 2. Notwithstanding Section 2229 of the Revenue and  
19 Taxation Code, no appropriation is made by this act and the state  
20 shall not reimburse any local agency for any property tax  
21 revenues lost by it pursuant to this act.

22 SEC. 3. This act provides for a tax levy within the meaning of  
23 Article IV of the Constitution and shall go into immediate effect.